PROVA DE INGLÊS
SELEÇÃO – MESTRADO E DOUTORADO/UFMG
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Instruções:

a) Esta prova tem a duração de 2 (duas) horas
b) A prova pode ser feita com consulta ao dicionário
c) No quadro abaixo, assinale com um X a opção de resposta escolhida para cada questão.
d) USE CANETA

Questão	Resposta			
	(a)	(b)	(c)	(d)
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2				
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N° de inscrição:_______________________________

Globalisation with Chinese Characteristics

China's extensive engagement in Africa represents the next wave of globalisation. Previously, China was the main beneficiary of FDI (Foreign Direct Investment) inflows primarily from Western companies. Now China is driving the world's growth, while North America and Europe struggle to recover from the global financial crisis. As Chinese industries move up the value chain and China's traditional export markets in the West falter, China is looking to Africa and other developing markets to sustain its high growth levels. In Africa, Chinese enterprises see an untapped market of nearly one billion potential customers. In other words, Chinese firms view Africa similar to the way Western firms previously viewed China.

Africa is now one of the fastest growing regions in the world. In 2010, the continent's GDP growth was 4.3%. And the EIU (Economist Intelligence Unit) forecasts the regional economy to average growth of nearly 5% a year in 2013-15. Hence, it is not only Chinese businesses that are looking with renewed interest in Africa's opportunities. In Africa and elsewhere, established multinational companies have traditionally had the advantages of long-term experience, well-known brands and greater innovation capabilities. However, Chinese firms are rapidly catching-up both in brand recognition and technological advancement.

As Chinese firms enter new sectors across Africa, many global and African firms are concerned about their ability to compete. Yet Chinese enterprises' growing activity in Africa is also creating new opportunities. Multinationals can leverage new opportunities by adopting a truly global approach in their operations. And African firms can benefit from partnering with Chinese firms.

Chinese firms have strong comparative advantages in costs as well as in their vast home base. But these advantages do not need to be seen as unique to Chinese firms. In fact, global businesses with operations in China can leverage the 'China advantage' by treating China like a home market. In other words, multinational businesses with operations in China can strategically use this connection to gain advantages in African markets by 'putting on their China hat'. In this way, multinational firms can benefit from China's extensive trade networks, supply chains, sourcing opportunities and investment-friendly policies such as favourable financing in its operations in Africa. In short, global firms with a presence in both China and Africa can gain advantages in delivering global economies of scale in their Chinese and African operations by integrating production and value delivery.

The Asian managing director of a South African-based global FMCG firm[1] ,sees his expanding Chinese business benefiting from the company's African roots, as his operations come from "similar environments— emerging and developing markets with similar trends: both have growing diversified based of up-trading, aspirational and enthusiastic consumers." Similar 'home and away' market environments also allow the firms' operations to leverage scale, procurement synergies, and low-cost sourcing opportunities, and local Chinese partners are used to source capital equipment for use in Africa. Another Managing Director of a multinational company with strong presence in Africa stresses the importance of utilizing China as the biggest supply source in the world.

China's increased activity in Africa has also created a strong demand for services that help Chinese firms navigate in these new markets. This has meant new opportunities for banks, law firms, as well as service providers that can provide distribution channels for Chinese companies abroad.

New opportunities are also emerging as Chinese firms increasingly seek to partner with African and multinational businesses. Sino-African business partnerships involve several mutual advantages. For Chinese investors, Africa is still a relatively new market and there are apparent cultural differences. Although Chinese firms' knowledge of Africa is improving fast, many still lack experience and understanding of the continent. Moreover, many Chinese companies are not well-informed about the investment risks in Africa that are not purely business-related. Therefore, partnering with a local African business can spread risks and provide valuable insights into the African market.

For African businesses, the benefits of partnering with a Chinese firm involve both increased liquidity and more tangible gains. Initially, there is the business gain of a boost in capital. In addition, African corporations can leverage Chinese project funding, technology transfers and expertise. Finally, Sino-African partnerships can also help African firms position themselves in global markets by gaining easy access to low-cost Chinese supply chains as well as the Chinese market.

All roads lead to—and from—China

China is driving the next phase of globalisation. As Chinese companies explore new business opportunities across Africa, they are creating new conditions and challenges for doing business on the continent. Chinese firms' engagement in Africa has resulted in vast infrastructural gains that facilitate market access into Africa. Moreover, China's establishment of SEZs (Special Economic Zones) in several African countries has the potential to create environments that enable African, Chinese, and other foreign firms to develop export oriented manufacturing hubs on the continent. This will help African countries diversify their economies, as well as bring new opportunities for global firms to invest in Africa.

Looking ahead, Chinese companies will continue to invest in diverse sectors across Africa. And China's economic ties with Africa will only grow in importance. Global firms are well-positioned to gain from this development by effectively utilizing their global networks. Likewise, African firms can benefit from building partnerships with Chinese companies.

Adapted from GEARING UP - China's impact on African business and the next wave of globalization. The Economist – Special Report.

www.corporatenetwork.com/specialreport, access on July 25th, 2011.

[1] Fast Moving Consumer Goods (FMCG) are products sold quickly, at relatively low cost, usually in a supermarket.

Answer the following questions

1 - The main purpose of the text is to:

(a) Define the current economic tendencies of major Asian countries.
(b) Explain the devastating implications of a recent shift in international trade.
(c) Argument that multinational companies should open new job opportunities in China.
(d) Comment on the global economic trend as a shift away from the traditional market into other emerging ones.

2 - In the fragment "In Africa, Chinese enterprises see an untapped market of nearly one billion potential customers" (lines 7-8), untapped market refers to a market that has been:

(a) Unsuccessful in exploring its own potentialities.
(b) Untouched or unnoticed by the sellers in general.
(c) Unfavorable to foreign investors aiming at high capital gains.
(d) Spared from the adverse effects of the global financial crisis.

3 - The fragment "… Chinese firms are rapidly catching-up both in brand recognition and technological advancement." (lines 15-16), means that the Chinese firms are:

(a) Making an effort to reach and be comparable to a competitor in two significant business issues.
(b) Investing their scarce funds to facilitate commerce with multinational companies.
(c) Fostering the technological progress of newborn African brands to surpass Western competitors.
(d) Getting involved with other well-known and highly developed multinational companies to ruin African firms.

4 - The expression 'putting on their China hat' (line 26) expresses the idea that:

(a) Chinese companies are invading Africa to take advantage of cheap labor fees.
(b) Multinational companies are financing operations in Africa to eradicate Chinese competitors.
(c) Global businesses are opening up operations in China to avoid the African import taxes.
(d) Companies of different nationalities are using their Chinese branches to export to Africa.

5 - "Sino-African business partnerships involve several mutual advantages." (lines 46-47). In line with the issues presented in the text, the alternative that supports this statement is:

(a) Chinese companies doing business in Africa face risks that they do not usually perceive, but African companies are taking advantage of Chinese lack of information.

(b) The Chinese will face more opportunities to sell their technical innovations while the African firms will reach wider export targets.
(c) The Chinese lack sufficient knowledge on investment risks in Africa that are not purely business-related and African companies will not disclose this information.
(d) Africa is a relatively new investment market and will benefit from an increase in capital whereas Chinese companies are pessimistic about the success of their actions in an unknown territory.

6 - Considering its use in the text, the first word in the pair is followed by a synonym in:

(a) Falter (line 6) – increase.
(b) Stresses (line 39) – reduces.
(c) Seek (line 45) – attempt.
(d) Vast (line 62) – limited.

7 - In "This will help African countries to diversify their economies…" (line 66), the pronoun "this" refers to the:

(a) Implementation of zones of economic production by Chinese companies in many African nations.
(b) African governments' decisions to create manufacturing hubs to export to Europe and the Americas.
(c) New opportunities for China's economic growth in the rural areas of the African continent.
(d) Chinese companies' firm denial to invest in infrastructural developments in Africa.

8 - The expression in bold type and the item in parentheses convey equivalent ideas in:

(a) **"In other words**, Chinese firms view Africa similar to the way Western firms previously viewed China." lines 8-9 (Otherwise).
(b) **"Hence**, it is not only Chinese businesses that are looking with renewed interest in Africa's opportunities." lines 12-13 (Thus).
(c) **"Moreover**, many Chinese companies are not well-informed about the investment risks in Africa that are not purely business-related." lines 49-50 (Although).
(d) **"Likewise**, African firms can benefit from building partnerships with Chinese companies." lines 70-71 (Alternatively).

9 - According to the text, Africa can benefit from the recent Chinese interest in the continent because:

(a) More capital and technology transfer will boost the African economy.
(b) Multinational companies do not want to invest in the African continent at all.
(c) Funding for joint ventures have not been available from other developing countries.
(d) High investments in banks and services by European countries in the past were unsuccessful.

10 - To justify the growing Chinese interest in Africa, it **CANNOT** be said that:

(a) Multinational companies are leaving the African continent for political reasons.
(b) Africa is still a growing economic market with a rising number of potential consumers.
(c) The next few years will witness a very positive economic growth in Africa which translates into good business opportunities.
(d) Chinese experience in technology and project investments will be an asset in developing the African economy.